(c) whether it is a fact that this particular Cooperative Society has fulfilled all requirements, including requisite certificates from the District Collector; and

(d) whether suitable directions will be given to Andhra Bank to review the whole issue?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY : (a) to (d) Andhra Bank, which is assigned with the Lead Bank responsibility in West Godavari District of Andhra Pradesh has reported that it had received representations from Primary Agricultural Cooperative Societies in the District, including from the Krishnaraopet Society, for providing debt relief. The bank has reported that it had constituted special teams at respective blocks in the District to identify the eligible borrowers and receive claims from participating banks in the area to determine their eligibility, as per guidelines framed by Reserve Bank of India/Government. There were no proecdural errors or other lacuna noticed during the course of providing debt relief to all the eligible borrowers in the West Godavari district. As per the guidelines, the eligible borrower must have suffered atleast two bad crop years (either consecutively or alternatively) and the said borrower should not be a wilful defaulter to the Bank. In so far as the Krishnaraopet PACS, the annewari was available for the year 1988 only and hence was treated as only one Annawari The other crop years prior to or after 1988 were not bad crop years and, therefore, the members of the Society were not eligible for debt relief, and thus, the Society had not fulfilled the eligibility requirements.

Functioning of IFCI in A. P.

3338. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) what has been the role of IFCI in financial industrial activity in Andhra Pradesh;

(b) whether it is a fact that IFCI has no financial units in Andhra Pradesh; and

(c) the steps proposed to review the functioning of IFCI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY : (a) The Industrial Finance Corporation of India Ltd. (IFCI) has reported that it provide medium and long term credits to eligible industrial concerns, which meet the eligibility criteria for obtainin financial assistance from IFCI, incorporated and registered in India in corporate or cooperative sector, engaged in manufacturing activities or service sector IFCI is an all-India Financial Institutior and its spectrum of activities covers al States and Union Territories including Andhra Pradesh.

(b) and (c) No, Sir. IFCI since it inception in 1948 to 28th February 1995 has provided financial assistance aggregating Rs. 1850.47 crores to 43 industrial projects located/to be located in Andhra Pradesh and its percentag share worked out to 7.9 per cent of th total assistance sanctioned by IFCI t all the States.

Representation from Primary Agricultural Cooperative Credit Society in Andhr Pradesh

3339. SHRI V. HANUMANTH RAO: Will the Minister of FINANC be pleased to state:

(a) whether Banking Division has r ceived any representation in 1994-9 from Primary Agricultural Cooperati Credit Society in Andhra Pradesh regarc ing grievances concerning nationalise banks, like Andhra Bank;

(b) whether it is a fact that the has been no response from Banking Di sion to numerous representations frc Krishnaraopeta Cooperative Credit S ciety in West Godavari district of A dhra Pradesh;

(c) if so, what are the reasons for the same; and

(d) the action proposed to be taken to redress their grievances?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY : (a) to (d) Representation regarding grievances of Primary Agricultural Cooperative Credit Society in Andhra Pradesh were received through Hon'ble Members of Parliament and after due consideration suitable replies were also sent to the concerned persons. The issue was about providing of debt relief to the members of Krishnaraopeta Primary Agricultural Cooperative Society, Polavaram, West Godavari District, Andhra Pradesh under the Agricultural and Rural Debt Relief, (ARDR) Scheme. 1990. Reserve Bank of India (RBI) and the National Bank for Agriculture and Rural Development (NABARD) have reported that members of the Krishnaraopet PACS were not eligible for debt relief under the ARDR Scheme, 1990 as there was no annewari declaration available for the members of this Society for two bad crop years. However, Andhra Bank has reported that all eligible borrowers in whose case the concept of Annewari does not apply, were provided debt relief by the implementing agencies including Cooperative Banks. The District Cooperative Central Bank, Eluru conducted a pre-audit to check the correctness of the assessment of eligibility before the relief was passed on to the beneficiaries.

Import of Consumer Goods

3340. PROF. VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has expressed its serious concern over the persistence of inflationary pressure during the current year;

(b) whether the prices of primary articles of mass consumption like cereals and pulses, edible oils, eggs, fish, meat and textile etc. have risen steeply;

(c) whether Government have any proposal to import edible oils, pulses and other consumer items to bring down their prices and to make them available freely to the public;

(d) if so, the salient reasons for the persistence of inflationary pressure, sharp rise in the prices of primary articles and the import of consumers goods; and

(e) whether the consumers at large have been benefited by the duty-free imports?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) Yes Sir, the thrust of the latest lean season credit policy announced by RBI on 17th April, 1995 is directed towards containing the inflationary pressures.

(b) Whereas the rise in the wholesale prices of foodgrains during 1994-95 was lower than the general inflation rate, it was much higher in case of edible oils, eggs, fish and meat, milk and textiles.

(c) Yes Sir, the Government has already liberalised import of edible oils, pulses and skimmed milk powder allowing their import under OGL at nil or reduced duty rates.

(d) and (e) The renewal of inflationary pressure in the financial year 1994-95 was due to the high growth of money supply as well as production/supply short-fall in some of the primary commodities such as cotton, jute, pulses sugar and edible oils. The import of nearly 10 lakh tonnes of sugar in 1994-95 on PDS account helped in reducing sugar prices. Similarly import of edible oils on reduced duty of 20 per cent on PDS account helped in containing edible oil prices.